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"Trade Unions," though very welcome, is rather out of its place. In Professor Marshall's scheme for his larger book the subject of "Combinations," including labor combinations, is left over for his second volume. In some ways it is unfortunate that this was not done here also, for, valuable as the chapter is, it has necessarily been written at a time when opinion about labor combination is in a state of flux. The record of trade-unionism since it ceased to be looked upon as practically a conspiracy against the law is as yet too short for definite conclusions on inductive grounds as to the effect of labor combinations upon wages. Moreover, the emergence of the new unionism has brought into existence factors the direction of whose action is scarcely as yet capable of determination. Some may think also that Professor Marshall gives exaggerated importance to certain objections to trade unions and that he underestimates others. The points for and against trade-union action have, however, never been put with greater force or clearness, nor have the opponents of trade unions experienced so fair and adequate treatment at the hands of any economic writer during the past quarter of a century. The tendency in public opinion as regards trade unions may perhaps fairly be described as general approval and particular disapproval. The trade union would model itself in accordance with the general drift of commercial opinion if it never encouraged a strike and if it used its powers simply to keep men quiet. While this view is, of course, one-sided, it may be at once admitted that the dangers of the future lie not so much in the contest between capital and labor, although that also has its dangers, as in the contest of unions of trades working on the same or contiguous industrial planes. The strike of union against union is becoming frequent both in this country and in America, and the question arises whether, given even an approximate equity as regards the distribution of the product between capitalists and laborers in a particular group, the result of organization on both sides, there may not arrive a condition in which highly-organized groups may be practically leeches upon the rest of the community.

JAMES MAVOR.

THE EFFECTS OF MACHINERY ON WAGES. By J. Shield Nicholson, M.A., D.Sc. New and Revised Edition. London: Swan Sonnenschein & Co., 1892.

The interest of this book is, of course, mainly for the economist. But it has also an ethical interest, inasmuch as it is one of the most striking instances of the modern method of economic study in which barren abstractions are as far as possible avoided, and problems are studied from the point of view of their bearing on human well-being as a whole. The book is in the main a reprint of an essay published in 1878, but several improvements have been made. Perhaps the most striking remark bearing on general economic philosophy is that on pp. 133-134 bearing on the doctrine of *laissez faire*, with special reference to the theory of Mr. Herbert Spencer. "This dogma," he says, "first enounced at a time when the laws affecting industry were so bad that the greatest license conceivable would have been better, was naturally received with great favor; it was supposed to be perfectly verified by the success of free trade, and has since been supported by a misinterpretation of the theory of evolution. Under the influence of this theory the followers of Mr. Herbert Spencer feel inclined to trust to

'survival of the fittest' to bring about the best state of things possible. But this is trusting to the lower instincts to do what reason, 'the highest of all instincts,' is unable to perform; it is an optimism more degraded and less justifiable than the fatalism of enervated Orientals." I am not sure that this criticism is quite fair. Reason cannot be justly described as an instinct; and there are many cases in which it is safer to trust to instinct than to reasoning, especially the reasoning of the average man. Still, Professor Nicholson appears to be quite right in regarding it as a mere superstition to suppose that in the complex activities of a human society the action of our natural impulses is to be relied on to produce beneficial results; and his remarks on this, as well as on many other points, are significant of the great change that has taken place in the attitude of English economists on this subject.

J. S. M.

THE FALLACY OF SAVING. By John M. Robertson. London: Swan Sonnenschein & Co., 1892. Pp. ix, 148.

While the writer of this volume shows very considerable ingenuity in attacking a conception of an important economic doctrine which is very prevalent, we cannot refrain from expressing the opinion that that doctrine is somewhat misunderstood.

The object aimed at by the person who saves is to secure the right to a larger or more desirable future good by denying himself present gratification. The fact, which is undoubted, that a given effort will produce a greater result mediately than immediately, is his justification for adopting this course.

Additions to capital, if utilized in production, cause greater results to the same labor, or equal results to less labor.

Whether we consider savers as individuals or in the mass, their present restriction of the less necessary parts of their possible consumption may be expected, failing miscarriage, to enable them to enjoy in the future a larger consumption with no greater labor, or, what is now very prominently before the public mind, to continue to consume as much as now, while devoting less of their time to physical or mental toil.

We quite agree with Mr. Robertson, that it is not desirable continually to restrict the consumption of the whole nation to those goods which are produced with the greatest ease, but we think we are not in disagreement with the best modern economists in believing that present saving should be regarded as having for one of its principal aims the attainment in the future of the right to consume economic goods of higher orders, ministering to higher needs. If Mr. Robertson succeeds in convincing his readers that saving is simply a means to an end, the end being the future gratification of (let us say) æsthetic tastes, he will not have written in vain.

If we have not misunderstood him, however, he advocates a policy which would result in a system of producing for immediate consumption only,—that is, deliberately casting on one side the control of processes of production which, though involving long delay, have as a recompense a largely-increased produce.

The reckless spendthrift policy is, we opine, even less beneficial than the excess of parsimony. The suggestion, which occurs repeatedly, that a wholesale destruction of serviceable commodities would be good for the community